To the Members of the California State Senate:

I am returning Senate Bill 735 without my signature.

While I support the intent of this bill to encourage use of recycled materials, I do not believe the requirements in this bill would be a prudent use of scarce transportation funds. The Department of Transportation (Caltrans) already has policies and procedures in place to promote the use of recycled material whenever and wherever it is costeffective to do so. Caltrans' Standard Specifications enable contractors to use up to 100 percent recycled aggregate in projects provided it meets performance specifications. Since recycled materials generally are less costly, contractors have a strong incentive to use as much recycled material possible under the state's competitive bidding process.

I believe it would be wasteful and unnecessary to require Caltrans to establish a tracking system to track use of recycled and virgin material on a project-by-project basis. These funds would be better utilized by investing in the building of transportation infrastructure.

Sincerely,

Arnold Schwarzenegger